

WATER/ABJ/HJL: jlj

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**WATER DIVISION
Water Advisory Branch**

**RESOLUTION NO. W-4295
August 23, 2001**

RESOLUTION

**(RES. W-4295), DEL ORO WATER COMPANY (DOWC),
MAGALIA DISTRICT. ORDER AUTHORIZING AN OFFSET
INCREASE IN RATES PRODUCING AN OVERALL INCREASE
OF \$6,611 OR 4.97% IN ADDITIONAL REVENUE.**

SUMMARY

By Advice Letter 99, filed June 20, 2001, revised by Supplemental Advice Letter 99-A filed August 3, 2001, DOWC's Magalia District is requesting an increase in annual revenue of \$6,611 or 4.97% to offset the expense of purchased power. The increase will not result in a rate of return greater than that last authorized for DOWC.

BACKGROUND

DOWC requests authority under Section VI of General Order 96-A and Section 454 of the Public Utilities Code to offset increases in the expense of purchased power it purchases from Pacific Gas & Electric Company (PG&E), which increased rates on June 1, 2001.

DOWC serves approximately 258 customers in the Magalia area, Shasta County. The present rates for Magalia became effective February 4, 1998, by Res. W-4048, which authorized a general rate increase of \$3,614 or 4.48%.

NOTICE AND PROTESTS

Notice of the proposed increase in rates was published in a local paper of general circulation within the Magalia District June 21, 2001. The Advisory Branch of the Water Division has not received any letters protesting the increase.

August 23, 2001

DISCUSSION

The offset increase is due to increased rates from PG&E, which became effective on June 1, 2001. This increase resulted in a \$6,611 increase in purchased power expense to DOWC's Magalia District. This increase is directly related to water consumption and should be applied to the quantity rate, which would be \$0.16 per one hundred cubic feet (Ccf).

The bill for an average Magalia service area residential customer utilizing 8 Ccf of water per month would increase from \$33.09 to \$34.37, an increase of \$1.28 or 3.87%.

FINDINGS AND CONCLUSIONS

THE COMMISSION FINDS, after investigation by the Water Advisory Branch, that the proposed offset increase in rates are justified, and the resulting rates are reasonable.

THEREFORE, IT IS ORDERED that:

1. Del Oro Water Company is authorized to increase rates in its Magalia District and to make effective revised Schedule No. MD-1A, Annual General Metered Service, attached to Supplemental Advice Letter No. 99-A, and to cancel its presently effective rate schedule. The effective date of the revised rate schedule shall be five days after the effective date of this Resolution.
2. This resolution is effective today.

I hereby certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on August 23, 2001; the following Commissioners voting favorably thereon:

WESLEY M. FRANKLIN
Executive Director

LORETTA M. LYNCH
President
HENRY M. DUQUE
RICHARD A. BILAS
CARL W. WOOD
GEOFFREY F. BROWN
Commissioners